

Washington, D. C. 20505

24 July 1979

STAT
Dear

Thanks very much for your report of 12 July. I find it very useful.

Both Bob Bowie and I are in full concurrence with your concern that there is too much emphasis on current intelligence. We have been seeking ways to downplay that, though I would be the first to admit that our success has been limited. Your bringing this to the fore once again makes me want to reopen the issue of whether we should continue publishing the National Intelligence Daily. I have the impression that this drives a great deal of tension and effort toward current matters.

I certainly concur that more joint military-political analysis is needed. From time to time I find that Bob Bowie, Frank Carlucci and I are the only integrating elements between some of the military and political analysis. I, for instance, will make a presentation to the President one month on the military aspects of some issue and another month on the political aspects, and find that since the briefings were prepared in two different NFAC offices there will be a different tone to them. This is also true, of course, in the economic sphere. For example, I sensed different degrees of conviction between OER and OSR on how likely the Soviets are to reduce defense spending in light of their forthcoming economic difficulties. Similarly, the impact that a change in political leadership is likely to have on the Soviet defense effort has different nuances in OPA and OSR, I believe.

I hope that Bruce Clarke on the Production Board can help sort this out by ensuring that where those overlaps exist the working group on a given study will include representatives of the appropriate offices or, alternatively, that when the product is being vetted there will be an opportunity for adequate interplay between the originating office and those others with concerns in the subject.

I believe your comments on developing a better handle on how the Soviet Union makes its military-economic research decisions are very appropriate, as well as those on finding leading or trailing indicators of changing Soviet defense spending patterns. I'll talk with Bob Bowie and hope we can move in both of these directions.

Your thought on expanding ~~a~~n appreciation of the usefulness of our military-economic analyses is something I had not appreciated in these terms. I am grateful for the thought. I recently asked NFAC whether we were adequately canvassing and supporting the Cabinet officers other than Defense and State. They believe we are, but perhaps we should look here also for ways in which our economic analysis may be put to better use. Interestingly I have found an aversion on the part of the Agency to deal with PA&E in DoD for fear that they were getting involved in the policy process. Perhaps that's why we also have shied away from ISA. I will look into this because we certainly should support them both fully. This certainly is an area for fruitful exploration.

I appreciate your reassurance on the amount of effort being devoted to Soviet military spending. I will drop that from my mental agenda-- though my desire to reallocate assets from military analysis to political and economic still remains. If we could just add assets, I would not want to cut our military in any way. Adding to the size of NFAC is going to be a slow and difficult process, however. We are terribly exposed, I believe, in the political and economic fields in being so thin in areas of the world which are coming of greater importance to the United States (and it's difficult to tell which additional ones will be next).

In contrast, your support of my skepticism about the Soviets' line of communication across Eastern Europe reinforces my desire to keep that issue open. I will do so.

I'll go over all of this with Bob Bowie and his people and be better prepared to talk with you about what we've been able to do at the fall meeting. In the meantime, I will certainly pass your appreciation to for his support. In return please accept mine for your Panel's continuing helpful efforts. I am grateful.

All the best.

Yours,



STANSFIELD TURNER